

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Agriculture & Cooperation Department – State Investment Promotion Board - M/S NSL Textiles Limited Formerly M/s. Jayavenkatrama Industries Ltd and M/S NSL Cotton Corporation Private Ltd., - Exemption from payment of Market Cess on Contract Farming for 10 years from the date of commercial production on or before 31-3-2012 towards special packages of incentives as a Mega Project – Revised Orders – Issued.

AGRICULTURE AND COOPERATION (AM.IV) DEPARTMENT

Go.Ms.No. 279

Dated: 26-10-2010

Read the following:-

1. Go.MS.No. 178, I&C(IP) Deptt., dated 21-6-2005.
2. Go.Rt.No.684, Industries & Commerce (IP) Department, dated 27-10-2006.
3. Go.Ms.No. 328 I&C(IP) Deptt., dated 13-12-2005
4. From the C&DoM, A.P., Hyd., Lr.No. Projects/4845/2005, dated 8-2009 & 9-2009.
5. From NSL Cotton Corporation Pvt. Ltd., Representation dated 28-4-2010.
6. Minutes of the SIPB Meeting Dated 28-4-2010.
7. Go.Ms.No. 257, A&C, (AM.IV) Deptt., dated 23-9-2010.
8. From M/s NSL, Textiles, Ltd., Hyderabad representation dated 24-9-2010.

ORDER:-

In the reference 1st read above, orders have been issued awarding various incentives/benefits to all eligible new industrial units setup in the State except in the Municipal Corporation limits of Visakhapatnam, Vijayawada and Hyderabad who commence commercial production on or after 01-04-2005 but before 31-3-2010 and that the Projects involving substantial expansion/ Diversification of existing industries in the eligible lines of activities are also entitled for benefits offered under the Industrial Investment Promotion Policy 2005-2010.

2. In the reference 2nd read above M/s.NSL Textiles Ltd., (Formerly M/s. Jayavankatrama Industries Ltd.,) proposed to set up “Mega Textile project” in the State (4 units) i.e., (i) Inkollu(V), Prakasam (Dt.), (ii) Idulapalem Agraharam(V), Guntur (Dt.) (iii) Near Vellaturu, on Bapatla - Karlapalem Road, Guntur (Dt) iv) Near Hard Ware Park at Gundlapochampally, Hyderabad with an investment of Rs. 628.80 Crores and that the units will create employment to 5400 persons directly besides providing employment to 10000 persons indirectly. This apart, 25,000 cotton farmers will be engaged in the contract farming.

3. Subsequently, the firm has made certain changes in the locations keeping in view of availability of adequate water, discharge facility for effluents and contiguous nature of land and requested the Government to issue amendment. Accordingly Government has issued an amendment vide G.O.Ms.No. 617, dt.14-8-2008 duly changing the locations.

4. The name of the company has been changed from M/s Jaya Venkatrama Industries to M/s NSL Textiles Limited and obtained amendment vide G.O.Rt.No. 351, Dt. 24-6-2009, subject to condition that each of the above unit should also commence its commercial Production on or before 31-3-2012 as per time limit under IIPP 2005-10 vide G.O.MS.No. 50 Industries & Commerce (IP) Deptt., dt. 11-2-2009 and that the projects are implemented within the guidelines of the IIPP 2005-10.

5. The SIPC was informed that, earlier orders were issued in Go.Rt.No. 917, dt. 19-12-2008, to M/s NSL Cotton Corporation Pvt. Ltd. treating 38 modern ginning and pressing units with a total investment of Rs. 380 crores located in different places as a Mega project and all individual units have been allowed incentives treating every unit as a part of Mega project and issued orders vide G.O.Ms.No. 917, dt. 19-12-2008.

6. M/S NSL Cotton Corporation Private Ltd., (NCC) has proposed to set up 38 (thirty eight) Ginning and pressing Units spread over in all the cotton growing districts of A.P., with a total investment of Rs. 380 Crores i.e. @ Rs. 10 Crores each unit and is likely to provide

employment to 2850 people. The objectives of NCC is to integrate the cotton farming with supply of quality inputs, technology for raising productivity, providing credit and insurance as well as scientific processing of the seed cotton produced by the farmers. The NCC shall also deploy about 400 scientific personnel to provide technical advisory services to about 2.5 lakh farmers covering 8 lakh acres in the State to benefit by way of enhanced productivity, reduce cost of cultivation, timely payment to their out put and ultimately higher price realization due to elimination of all middlemen in their purchase and sale transaction. About 50% of the produce will be exported and the balance 50% will be supplied to the domestic textile industry. The company has requested the Govt., to consider the total investment of Rs. 380 crores over 38 units spread over in all the cotton growing Districts in A.P., treating each unit as a Mega Project under Industrial Investment Promotion Policy (IIPP) 2005-2010 and extended certain Incentives. Accordingly, Govt., issued orders vide G.O.Ms.No. 917, I&C Deptt.,dt. 19-12-2008, treating 38 modern ginning and pressing units with a total investment of Rs 380 Crores located in different places as Mega Project and all individual Units have been allowed incentives treating every unit as a part of Mega Project.

7. Accordingly, the request of M/s NSL Cotton Corporation Pvt. Ltd., and M/s NSL Textiles Ltd., has been placed before the 51st SIPB meeting held on 28-6-2010, wherein it was decided to agree to exempt Market Cess on the purchase of contract farming produce for 10 years under section 35 of the Andhra Pradesh(Agricultural Produce & Live stock) Market Act, 1966 from the date of commercial production on or before 31-3-2012.

8. Therefore, Government in exercise of the powers conferred under Section 35 of the Andhra Pradesh (Agricultural Produce & Live Stock) Markets Act, 1966 and in super cession of the orders issued in the reference 7th read above hereby exempt M/s NSL Cotton Corporation Private Limited and M/s NSL Textiles Ltd., from payment of the market cess on the purchase of contract farming produce for 10 years from the date of commercial production on or before 31-3-2012.

9. The Commissioner and Director of Agricultural Marketing, A.P. Hyderabad is prescribed as the authority under section 11-A(1) for the purpose of implementing the contract farming in accordance with procedure prescribed by him, as the land of contract farming producer is situated in more than one notified area.

10. The Commissioner and Director of Agricultural Marketing, A.P. Hyderabad shall take further necessary action.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

K.R.KISHORE
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Commissioner and Director of Agricultural Marketing,
A.P. Hyderabad.
The M/s NSL Textiles Pvt. Ltd.,
The Industries & Commerce Department.

Copy to:

The Commissioner, Printing & Stores, for publication of the order in extraordinary gazette of Andhra Pradesh.
The Pay & Accounts Officer, Hyderabad
All District Collectors/All Heads of Departments/All Departments of Secretariat.
The Chairman & managing Director, A.P.I.I.C., Hyderabad.
The P.S. to Chief Secretary, Hyd.,
The P.S. to Addl. Secy., to Chief Minister.
All Private Secretaries to the Ministers.
All Government Companies/Corporations.
The Finance (Expenditure – Industries & Commerce) Department.
All General Managers, District Industries Centre in the State.
All Sections in the Department.
SF/SC.

//FORWARDED : : BY ORDER//

SECTION OFFICER